

CONTRACT #1
RFS # 501.01-039

**Department of General
Services**

VENDOR:
Cross Gate Services, Inc.

Leni Chick

From: Leni Chick
Sent: Tuesday, October 09, 2007 3:12 PM
To: 'Robert Barlow'
Subject: RE: Filing Confirmation: Request RFS# 501.01-039

Robert:

I received this request today with an effective date for the amendment of August 1, 2007. Leni

From: Robert Barlow [mailto:Robert.Barlow@state.tn.us]
Sent: Thursday, September 20, 2007 5:20 PM
To: Leni Chick
Subject: Filing Confirmation: Request RFS# 501.01-039

Filing Confirmation: Request RFS# 501.01-039

The procuring state agency submitted the subject request to the F&A Office of Contracts Review.

It indicates that, if the proposed amendment is approved, the resulting amended contract could have a contract period greater than 12 months and would have a maximum liability greater than \$250,000. Accordingly, if the proposed amendment is non-competitive under state service contracting regulations, the request should have also been filed with the Fiscal Review Committee pursuant to *Tennessee Code Annotated*, § 12-4-109(a)(1)(G), *et seq.*

This communication seeks to verify whether General Services staff filed the requests with the Fiscal Review Committee. If so, the comment period would end no later than **October 5, 2007**, and F&A would consider the matter at that time.

10/9/2007

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration
Date:

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.

1) RFS # 501.01-039

2) State Agency Name : Department of General Services

RECEIVED

EXISTING CONTRACT INFORMATION

OCT 09 2007

3) Service Caption : Custodial Services

FISCAL REVIEW

4) Contractor : Cross Gate Services, Inc.

5) Contract # FA-04-15728-00

6) Contract Start Date : 11/01/03

7) Current Contract End Date IF all Options to Extend the Contract are Exercised : 10/31/08

8) Current Total Maximum Cost IF all Options to Extend the Contract are Exercised : \$856,767.00

PROPOSED AMENDMENT INFORMATION

9) Proposed Amendment # Two(2)

10) Proposed Amendment Effective Date : 08/01/07
(attached explanation required if date is < 60 days after F&A receipt)

11) Proposed Contract End Date IF all Options to Extend the Contract are Exercised : 10/31/08

12) Proposed Total Maximum Cost IF all Options to Extend the Contract are Exercised : \$862,788.48

13) Approval Criteria :
(select one)

☒ use of Non-Competitive Negotiation is in the best interest of the state

☐ only one uniquely qualified service provider able to provide the service

14) Description of the Proposed Amendment Effects & Any Additional Service :

This amendment is to enact contract clause E.3. that will allow for the addition of funds to the contract to cover the federally mandated minimum wage rate increase. This federally mandated increase went into effect on July 24, 2007. The amendment will increase the total maximum liability by \$6021.48 over the remaining 15 months of the current contract.

15) Explanation of Need for the Proposed Amendment :

Additional funding will need to be added to the contract in order to compensate the vendor for the expense relating to the increase in federally mandated minimum wage rates. The current contract maximum liability is not sufficient to cover the increase in wage rates.

16) Name & Address of Contractor's Current Principal Owner(s) :
(not required if proposed contractor is a state education institution)

Steve Southard, President, Cross Gate Services, Inc., 1730 General George Patton Drive, Brentwood, Tennessee 37027

17) Documentation of Office for Information Resources Endorsement :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

18) Documentation of Department of Personnel Endorsement :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

19) Documentation of State Architect Endorsement :
(required only if the subject service involves construction or real property related services)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

The Department made no other attempts to identify alternative procurement options.

21) Justification for the Proposed Non-Competitive Amendment :

Section E.3 of the current contract allows for the Contractor to request an increase in the Contract payment rates, in the event of a federally mandated minimum wage rate increase. Our department has received a request from the Contractor, Cross Gate Services, Inc., and confirmed the increase in the current minimum wage rates. (Screen print from US Department of Labor website is attached) The Department agrees that the contractor is eligible for this increase and wishes to reimburse them for the cost they have absorbed during this request process.

Cross Gate Services, Inc. is accustomed to working for the State through contracts that were awarded through the ITB process. The Department feels that, because the requirements for request for price increase for the ITB awarded contracts differ so much from the process to increase the maximum liability on an RFP awarded FA type contract, this vendor is entitled to all monies that have been spent on increased minimum wage requirements.

REQUESTING AGENCY HEAD SIGNATURE & DATE :

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)



Agency Head Signature

10-4-07

Date



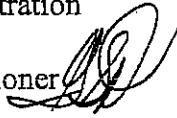
STATE OF TENNESSEE
DEPARTMENT OF GENERAL SERVICES

GWENDOLYN SIMS DAVIS
COMMISSIONER

PHIL BREDESEN
GOVERNOR

MEMORANDUM

TO: The Honorable Dave Goetz, Commissioner
Department of Finance & Administration

FROM: Gwendolyn Sims Davis, Commissioner 

DATE: September 7, 2007

SUBJECT: Request: Non-Competitive Amendment
FA-04-15728 Cross Gate Services

Attached please find the Request for Non-Competitive Amendment to a contract the Department has with Cross Gate Services for the janitorial services for the Andrew Jackson State Office building.

The request is being submitted to your Office of Contracts Review with an amendment start date of August 1, 2007. This request is for an increase to the maximum liability of this contract to allow additional compensation to the vendor for expenses that are incurred as a result of the federally mandated increase in the minimum wage rate. The Department is requesting this amendment be effective as of August 1st to help the vendor recoup the monies that have already been paid out.

The vendor did not realize this request would require a sixty (60) day approval process and did not submit his information to the Department until July 25, 2007. This is the date that the federal increase took effect.

Thank you for your consideration of this request.

GSD/sl:mdm

United States Code Annotated Currentness

Title 29. Labor

Chapter 8. Fair Labor Standards (Refs & Annos)

→§ 206. Minimum wage

(a) Employees engaged in commerce; home workers in Puerto Rico and Virgin Islands; employees in American Samoa; seamen on American vessels; agricultural employees

Every employer shall pay to each of his employees who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce, wages at the following rates:

- (1) except as otherwise provided in this section, not less than--
 - (A) \$5.85 an hour, beginning on the 60th day after May 25, 2007;
 - (B) \$6.55 an hour, beginning 12 months after that 60th day; and
 - (C) \$7.25 an hour, beginning 24 months after that 60th day;
- (2) if such employee is a home worker in Puerto Rico or the Virgin Islands, not less than the minimum piece rate prescribed by regulation or order; or, if no such minimum piece rate is in effect, any piece rate adopted by such employer which shall yield, to the proportion or class of employees prescribed by regulation or order, not less than the applicable minimum hourly wage rate. Such minimum piece rates or employer piece rates shall be commensurate with, and shall be paid in lieu of, the minimum hourly wage rate applicable under the provisions of this section. The Administrator, or his authorized representative, shall have power to make such regulations or orders as are necessary or appropriate to carry out any of the provisions of this paragraph, including the power without limiting the generality of the foregoing, to define any operation or occupation which is performed by such home work employees in Puerto Rico or the Virgin Islands; to establish minimum piece rates for any operation or occupation so defined; to prescribe the method and procedure for ascertaining and promulgating minimum piece rates; to prescribe standards for employer piece rates, including the proportion or class of employees who shall receive not less than the minimum hourly wage rate; to define the term "home worker"; and to prescribe the conditions under which employers, agents, contractors, and subcontractors shall cause goods to be produced by home workers;
- (3) if such employee is employed as a seaman on an American vessel, not less than the rate which will provide to the employee, for the period covered by the wage payment, wages equal to compensation at the hourly rate prescribed by paragraph (1) of this subsection for all hours during such period when he was actually on duty (including periods aboard ship when the employee was on watch or was, at the direction of a superior officer, performing work or standing by, but not including off-duty periods which are provided pursuant to the employment agreement); or
- (4) if such employee is employed in agriculture, not less than the minimum wage rate in effect under paragraph (1) after December 31, 1977.
- (5) Redesignated (4)

(b) Additional applicability to employees pursuant to subsequent amendatory provisions

Every employer shall pay to each of his employees (other than an employee to whom subsection (a)(5) of this section applies) who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce, and who in such workweek is brought within the purview of this section by the amendments made to this chapter by the Fair Labor Standards Amendments of 1966, title IX of the Education Amendments of 1972 [20 U.S.C.A. § 1681 et seq.], or the Fair Labor Standards Amendments of 1974, wages at the following rate: Effective after December 31, 1977, not less than the minimum wage rate in effect under subsection (a)(1) of this section.

(c) Repealed. Pub.L. 104-188, [Title III], § 2104(c), Aug. 20, 1996, 110 Stat. 1929

(d) Prohibition of sex discrimination

(1) No employer having employees subject to any provisions of this section shall discriminate, within any establishment in which such employees are employed, between employees on the basis of sex by paying wages to

employees in such establishment at a rate less than the rate at which he pays wages to employees of the opposite sex in such establishment for equal work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions, except where such payment is made pursuant to (i) a seniority system; (ii) a merit system; (iii) a system which measures earnings by quantity or quality of production; or (iv) a differential based on any other factor other than sex: *Provided*, That an employer who is paying a wage rate differential in violation of this subsection shall not, in order to comply with the provisions of this subsection, reduce the wage rate of any employee.

(2) No labor organization, or its agents, representing employees of an employer having employees subject to any provisions of this section shall cause or attempt to cause such an employer to discriminate against an employee in violation of paragraph (1) of this subsection.

(3) For purposes of administration and enforcement, any amounts owing to any employee which have been withheld in violation of this subsection shall be deemed to be unpaid minimum wages or unpaid overtime compensation under this chapter.

(4) As used in this subsection, the term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(e) Employees of employers providing contract services to United States

(1) Notwithstanding the provisions of section 213 of this title (except subsections (a)(1) and (f) thereof), every employer providing any contract services (other than linen supply services) under a contract with the United States or any subcontract thereunder shall pay to each of his employees whose rate of pay is not governed by the Service Contract Act of 1965 (41 U.S.C. 351-357) or to whom subsection (a)(1) of this section is not applicable, wages at rates not less than the rates provided for in subsection (b) of this section.

(2) Notwithstanding the provisions of section 213 of this title (except subsections (a)(1) and (f) thereof) and the provisions of the Service Contract Act of 1965 [41 U.S.C.A. § 351 et seq.], every employer in an establishment providing linen supply services to the United States under a contract with the United States or any subcontract thereunder shall pay to each of his employees in such establishment wages at rates not less than those prescribed in subsection (b) of this section, except that if more than 50 per centum of the gross annual dollar volume of sales made or business done by such establishment is derived from providing such linen supply services under any such contracts or subcontracts, such employer shall pay to each of his employees in such establishment wages at rates not less than those prescribed in subsection (a)(1) of this section.

(f) Employees in domestic service

Any employee--

(1) who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under subsection (b) of this section unless such employee's compensation for such service would not because of section 209(a)(6) of the Social Security Act [42 U.S.C.A. § 409(a)(6)] constitute wages for the purposes of title II of such Act [42 U.S.C.A. § 401 et seq.], or

(2) who in any workweek--

(A) is employed in domestic service in one or more households, and

(B) is so employed for more than 8 hours in the aggregate,

shall be paid wages for such employment in such workweek at a rate not less than the wage rate in effect under subsection (b) of this section.

(g) Newly hired employees who are less than 20 years old

(1) In lieu of the rate prescribed by subsection (a)(1) of this section, any employer may pay any employee of such employer, during the first 90 consecutive calendar days after such employee is initially employed by such employer, a wage which is not less than \$4.25 an hour.

(2) No employer may take any action to displace employees (including partial displacements such as reduction in hours, wages, or employment benefits) for purposes of hiring individuals at the wage authorized in paragraph (1).

(3) Any employer who violates this subsection shall be considered to have violated section 215(a)(3) of this title.

(4) This subsection shall only apply to an employee who has not attained the age of 20 years.

CREDIT(S)

(June 25, 1938, c. 676, § 6, 52 Stat. 1062; June 26, 1940, c. 432, § 3(e), (f), 54 Stat. 616; Oct. 26, 1949, c. 736, § 6, 63 Stat. 912; Aug. 12, 1955, c. 867, § 3, 69 Stat. 711; Aug. 8, 1956, c. 1035, § 2, 70 Stat. 1118; May 5, 1961, Pub.L. 87-30, § 5, 75 Stat. 67; June 10, 1963, Pub.L. 88-38, § 3, 77 Stat. 56; Sept. 23, 1966, Pub.L. 89-601, Title III, §§ 301 to 305, 80 Stat. 838, 839, 841; Apr. 8, 1974, Pub.L. 93-259, §§ 2 to 4, 5(b), 7(b)(1), 88 Stat. 55, 56, 62; Nov. 1, 1977, Pub.L. 95-151, § 2(a) to (d)(2), 91 Stat. 1245, 1246; Nov. 17, 1989, Pub.L. 101-157, §§ 2, 4(b), 103 Stat. 938, 940; Dec. 19, 1989, Pub.L. 101-239, Title X, § 10208(d)(2)(B)(i), 103 Stat. 2481; Aug. 20, 1996, Pub.L. 104-188, [Title II], §§ 2104(b), (c), 2105(c), 110 Stat. 1928, 1929; May 25, 2007, Pub.L. 110-28, Title VIII, §§ 8102(a), 8103(c)(1)(B), 121 Stat. 188, 189.)

**AMENDMENT TWO
TO FA—04-15728-00**

This Contract Amendment is made and entered by and between the State of Tennessee, DEPARTMENT OF GENERAL SERVICES, hereinafter referred to as the "State" and CROSS GATE SERVICES, INC., hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

1. The text of Contract Section C.1. is deleted in its entirety and replaced with the following:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed EIGHT HUNDRED SIXTY-TWO THOUSAND, SEVEN HUNDRED EIGHTY-EIGHT DOLLARS AND FORTY-EIGHT CENTS (\$862,788.48). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

Fiscal Year	Annual Fixed Fee	Annual Allowance for Additional Svcs	Annual Total Maximum Liability
Fiscal Year 1 11/1/03 – 6/30/04	\$95,924.00	\$18,482.53	\$114,406.53
Fiscal Year 2 7/1/04 – 6/30/05	\$142,944.00	\$27,723.80	\$170,667.80
Fiscal Year 3 7/1/05 – 6/30/06	\$142,944.00	\$27,723.80	\$170,667.80
Fiscal Year 4 7/1/06 – 6/30/07	\$144,144.00	\$27,723.80	\$171,867.80
Fiscal Year 5 7/1/07 – 6/30/08	\$148,046.00	\$27,723.80	\$175,770.68
Fiscal Year 6 7/1/08 – 10/31/08	\$ 50,166.60	\$9,241.27	\$ 59,407.87
TOTAL	\$724,168.60	\$138,619.00	\$862,788.48

2. The text of Contract Section C.2. is deleted in its entirety and replaced with the following:

C.3. Payment Methodology. The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.
- b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Fiscal Year	Fixed Fee Per Month
Fiscal Year 1 11/1/03 – 6/30/04	\$12,540.00 for November \$11,912.00 for Dec - June
Fiscal Year 2 7/1/04 – 6/30/05	\$11,912.00
Fiscal Year 3 7/1/05 – 6/30/06	\$11,912.00
Fiscal Year 4 7/1/06 – 6/30/07	\$12,012.00
Fiscal Year 5 7/1/07 – 6/30/08	\$12,012.00 for July \$12,337.24 for Aug - June
Fiscal Year 6 7/1/08 – 10/31/08	\$12,253.27 for July 1-23 \$12,194.24 for July 24-31 \$12,718.20 for Aug 1 – Oct 31

The revisions set forth herein shall be effective August 1, 2007. All other terms and conditions not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF:
CROSS GATE SERVICES, INC.:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF GENERAL SERVICES:

GWENDOLYN SIMS DAVIS, COMMISSIONER

DATE

APPROVED:

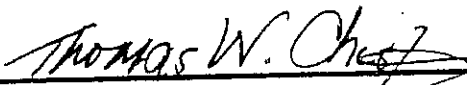
M. D. GOETZ, JR., COMMISSIONER
DEPARTMENT OF FINANCE AND ADMINISTRATION

DATE

JOHN G. MORGAN, COMPTROLLER OF THE TREASURY

DATE

C O N T R A C T S U M M A R Y S H E E T

RFS Number:		Contract Number: FA-04-15728-01	
State Agency: General Services		Division: Property Services Management	
Contractor		Contractor Identification Number	
Cross Gate Services		X V- C-	V621310839-00
Service Description			
Custodial Services at the Andrew Jackson Building			
Contract Begin Date		Contract End Date	
11/01/03		10/31/08	
Allotment Code	Cost Center	Object Code	Fund
501.01	10001	076/002	84
		<input type="checkbox"/> on STARS	
FY	State Funds	Federal Funds	Interdepartmental Funds
2004			114,406.53
2005			170,667.80
2006			170,667.80
2007			171,867.80
2008			171,867.80
2009			57,289.27
			856,767.00
CFDA #		Check the box ONLY if the answer is YES:	
State Fiscal Contact		Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Name:	Thomas W. Chester	Is the Contractor a VENDOR? (per OMB A-133)	
Address:	23 rd Floor TN Tower, WM R. Snodgrass Bldg	Is the Fiscal Year Funding STRICTLY LIMITED?	
Phone:	741-3066	Is the Contractor on STARS?	
Procuring Agency Budget Officer Approval Signature		Is the Contractor's FORM W-9 ATTACHED?	
		Is the Contractors Form W-9 Filed with Accounts?	
COMPLETE FOR ALL AMENDMENTS (only)		Funding Certification	
	Base Contract & Prior Amendments	This Amendment ONLY	
	893,819.00		
FY: 04		4,396.00	
FY: 05		7,536.00	
FY: 06		7,536.00	
FY: 07		7,536.00	
FY: 08		7,536.00	
FY: 09		2,512.00	
TOTAL	893,819.00	(37,052.00)	

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

AMENDMENT NUMBER ONE
TO
CONTRACT NUMBER FA-04-15728-00
BETWEEN
THE STATE OF TENNESSEE, DEPARTMENT OF GENERAL SERVICES
AND
CROSS GATE SERVICES, INC.

Cross Gate Services, Inc. (hereinafter referred to as the CONTRACTOR) provides custodial services to the State of Tennessee, Department of General Services' Andrew Jackson State Office Building (hereinafter referred to as the STATE) under Contract Number FA-04-15728-00.

Since Day Maids are being used to service the needs of the Departments of Revenue and Treasury, a decision has been made to reduce night cleaning services to various locations in order to avoid duplication of effort and also to reduce costs, thus this Contract is hereby amended to reflect this reduction in services.

- I. This Amendment eliminates the provisions of Section A.2.3, "Office Areas – Minimum Requirements" for ONLY the following areas:

Floors 9, 10, 11, and 12 in their entirety
Floor 7 – ITR Director's Office, Assistant Director's Office, and Special Investigations
Floor 6 – Internal Audit, Audit Director's Office, and Assistant Director's Office
Floor 5 – File Room
Floor 4 – Tax Enforcement Director's Office and Assistant Director's Office
Floor 3 – Taxpayer Services Director's and Assistant Director's Offices; Processing Director's and Assistant Director's Offices
Floor 2 – Cashier's Office

- II. The language in Section C.1 shall be deleted in its entirety and replaced with the following language:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Eight Hundred and Fifty Six Thousand, Seven Hundred and Sixty Seven Dollars (\$856,767.00). The Service Rates in Section C.4 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the Service Rates detailed in Section C.4. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

Fiscal Year	Annual Fixed Fee	Annual Allowance for Additional Svcs	Annual Total Maximum Liability
Fiscal Year 1 11/1/03 – 6/30/04	\$95,924.00	\$18,482.53	\$114,406.53
Fiscal Year 2 7/1/04 – 6/30/05	\$142,944.00	\$27,723.80	\$170,667.80
Fiscal Year 3 7/1/05 – 6/30/06	\$142,944.00	\$27,723.80	\$170,667.80
Fiscal Year 4 7/1/06 – 6/30/07	\$144,144.00	\$27,723.80	\$171,867.80
Fiscal Year 5 7/1/07 – 6/30/08	\$144,144.00	\$27,723.80	\$171,867.80
Fiscal Year 6 7/1/08 – 10/31/08	\$48,048.00	\$9,241.27	\$57,289.27
TOTAL	\$718,148.00	\$138,619.00	\$856,767.00

III. The language in Section C.3 shall be deleted in its entirety and replaced with the following language:

C.3. Payment Methodology. The Contractor shall be compensated based on the Service Rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of units of service or project milestones defined in Section A. The Contractor shall be compensated based upon the following Service Rates:

Fiscal Year	Fixed Fee Per Month
Fiscal Year 1 11/1/03 – 6/30/04	\$12,540.00 for November \$11,912 for Dec. – June
Fiscal Year 2 7/1/04 – 6/30/05	\$11,912.00
Fiscal Year 3 7/1/05 – 6/30/06	\$11,912.00
Fiscal Year 4 7/1/06 – 6/30/07	\$12,012.00
Fiscal Year 5 7/1/07 – 6/30/08	\$12,012.00
Fiscal Year 6 7/1/08 – 10/31/08	\$12,012.00
TOTAL	\$718,148.00

The Contractor shall submit monthly invoices, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed units of service or project milestones for the amount stipulated.

IV. This amendment shall be effective December 1, 2003.

V. All Terms and Conditions not otherwise addressed remain in full force and effect.

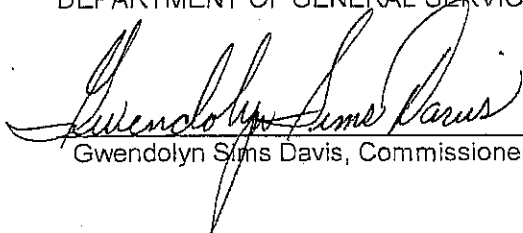
CROSS GATE SERVICES, INC.:



Art Barraclough, President

DATE: 11/17/03

DEPARTMENT OF GENERAL SERVICES



Gwendolyn Sims Davis, Commissioner

DATE: 12-4-03

APPROVED:

M. D. Goetz, Jr., Commissioner
Department of Finance and Administration

DATE: _____

John C. Morgan
Comptroller of the Treasury

DATE: _____

PROCESSED
NOV - 7 2003
DIRECTOR OF ACCOUNTS

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF GENERAL SERVICES
AND
CROSS GATE SERVICES, INC.**

This Contract, by and between the State of Tennessee, Department of General Services, hereinafter referred to as the "State" and Cross Gate Services, Inc., hereinafter referred to as the "Contractor," is for the provision of CUSTODIAL RELATED SERVICES AT THE ANDREW JACKSON STATE OFFICE BUILDING, as further defined in the "SCOPE OF SERVICES."

The Contractor is A FOR-PROFIT CORPORATION. The Contractor's address is:

Cross Gate Services, Inc.
1730 General George Patton Drive
Brentwood, Tennessee 37027

The Contractor's place of incorporation or organization is Tennessee.

A. SCOPE OF SERVICES:

A.1. DEFINITIONS

A.1.1. Bright Metal Polishing

Bright metal polishing may be performed by damp wiping and drying with a suitable cloth provided a polished appearance is obtained by this method. However, if a polished appearance cannot be produced, an appropriate metal polish shall be used.

A.1.2. Carpet Cleaning: Shampoo (Wet and Dry)

The Contractor shall safely and thoroughly clean rugs and carpets by using a commercially rated vacuum or cleaning machine capable of removing all foreign matter. Rugs and carpets shall be vacuumed (total surface area) before and after shampooing. In addition, pre-spot all stains prior to shampooing.

A.1.3. Carpet Cleaning: Extraction

Rugs and carpets shall be thoroughly cleaned by a commercially rated vacuum machine capable of removing all embedded foreign matter. The cleaning process shall not cause shrinkage of rugs or carpeting or affect their appearance or durability. The cleaning process shall remove all traces of dirt, grime and soil leaving rugs and carpeting free from all residual or foreign matter.

The Contractor shall be fully responsible for the correction of any damage or faulty workmanship caused by the Contractor's method of cleaning. The carpet under all furniture is to be cleaned, as well as exposed carpet. The Contractor shall be responsible for moving

furniture. When necessary, rugs and carpeting will be brushed to restore flattened pile.

The State reserves the right to allow others besides the selected Proposer to perform carpet cleaning outside the stated frequencies if deemed appropriate. Payment will be made only to the vendor who performs that service.

A.1.4. Carpet Cleaning – Bonnet Method

Bonnet method of shampooing consists of a cotton bonnet soaked in a shampoo solution, specifically manufactured for this method. After soaking, the bonnet is then rung out with the mop wringer to create a moist bonnet then applied to the floor under a floor machine. The floor machine runs across the carpet in all directions. The carpet should be lightly damp and should be totally dry in one (1) hour after application.

A.1.5. Contractor

The Contractor is an independent entity and is not an agent or employee of the State of Tennessee.

A.1.6. Daily Services

Daily services are to be performed Monday through Friday, except for legal holidays proclaimed by the State. Unless otherwise stated, daily services shall be performed between the hours of 7:00 a.m. and 4:30 p.m.

A.1.7. Damp Wiping

This task consists of using a clean damp cloth or sponge to remove all dirt, spots, streaks and smudges from walls, glass and other specified surfaces and then drying to provide a polished appearance. The wetting solution shall contain an appropriate cleaning agent. When damp wiping in toilet areas, a multi-purpose (disinfectant- deodorizer) cleaner shall be used.

A.1.8. Dusting

Dust shall not be merely moved from place to place, but removed directly from the areas in which it lies by the most effective means - appropriately treated dust cloths, vacuum tools, etc. When high dusting, dust shall not be allowed to fall from high areas onto furniture and equipment below. The following conditions shall exist after the completion of each dusting task:

- a) There shall be no dust streaks.
- b) Corners, crevices, molding and ledges shall be free of dust.
- c) There shall be no oils, spots or smudges on dusted surfaces caused by dusting tools.

A.1.9. Elevator Floor Cleaning

Where floors have resilient type covering, all necessary cleaning operations shall be performed to provide a clean and polished appearance. If applicable, carpeted areas shall be vacuumed nightly and extracted monthly.

A.1.10. Hard-Surface Floors

Hard surface floors are defined as tile or composition floors.

A.1.11. Loading Docks

Loading dock shall mean the area designated for shipping and receiving of all incoming and outgoing materials and supplies used in day-to-day operations of the facility.

A.1.12. Locker Rooms (where applicable)

Locker rooms shall mean all employee locker rooms, including areas adjacent to the restrooms.

A.1.13. Moving of Furniture and Equipment

For all operations where furniture and equipment must be moved, no chairs, wastepaper baskets or other similar items shall be stacked on desks, tables or window sills. Upon completion of work, all furniture and equipment must be returned to its original position.

A.1.14. Nightly Services

All nightly services are to be performed five nights each week, Monday through Friday, except for legal holidays proclaimed by the State. Unless otherwise stated, nightly services shall be performed between the hours of 5:30 p.m. and 9:30 p.m.

For requirements regarding nightly services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.15. Three Times - Weekly Services

All three time-weekly services are to be performed three nights each week, Monday, Wednesday and Friday, except for legal holidays proclaimed by the State. Unless otherwise stated, three time-weekly services shall be performed between the hours of 5:00 p.m. and 9:30 p.m.

For requirements regarding three time-weekly services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.16. Weekly Services

All weekly services are to be performed each week, Monday through Friday, except for legal holidays proclaimed by the State. If scheduled service for any workday falls on a legal holiday or the Contractor is not able to perform services due to weather conditions, power outages, or any other conditions in the building(s) that prohibits the work from being performed this service should be rescheduled by the Contractor and approved by the Facility Administrator, to be performed on a different day of that week. Unless otherwise stated, weekly services shall be performed between the hours of 5:30 p.m. and 9:30 p.m. The schedule for performing services shall be developed by the Contractor and approved by the Facility Administrator.

For requirements regarding weekly services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.17. Monthly Services

All monthly services are to be performed each month. If scheduled service for any workday falls on a legal holiday or the Contractor is not able to perform services due to weather conditions, power outages, or any other conditions in the building(s) that prohibits the work from being performed this service should be rescheduled by the Contractor and approved by the Facility Administrator, to be performed on a different day of that month. Unless otherwise stated, monthly services shall be performed between the hours of 5:30 p.m. and 9:30 p.m. The schedule for performing services shall be developed by the Contractor and approved by the Facility Administrator.

For requirements regarding monthly services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.18. Quarterly Services

All quarterly services are to be performed each quarter. If scheduled service for any workday falls on a legal holiday or the Contractor is not able to perform services due to weather conditions, power outages, or any other conditions in the building(s) that prohibits the work from being performed this service should be rescheduled by the Contractor and approved by the Facility Administrator, to be performed on a different day of that quarter. Unless otherwise stated, quarterly services shall be performed between the hours of 5:30 p.m. and 9:30 p.m. The schedule for performing services shall be developed by the Contractor and approved by the Facility Administrator.

For requirements regarding quarterly services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.19. Semi-Annual Services

All semi-annual services are to be performed twice annually. If scheduled service for any workday falls on a legal holiday or the Contractor is not able to perform services due to weather conditions, power outages, or any other conditions in the building(s) that prohibits the work from being performed this service should be rescheduled by the Contractor and approved by the Facility Administrator, to be performed on a different day. Unless otherwise stated, semi-annual services shall be performed between the hours of 5:30 p.m. and 9:30 p.m. The schedule for performing these services shall be developed by the Contractor and approved by the Facility Administrator.

For requirements regarding semi-annual services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.20. Annual Services

All annual services are to be performed annually at year end. If scheduled service for any workday falls on a legal holiday or the Contractor is not able to perform services due to weather conditions, power outages, or any other conditions in the building(s) that prohibits the work from being performed this service should be rescheduled by the Contractor and approved by the Facility Administrator, to be performed on a different day. Unless otherwise stated, annual services shall be performed between the hours of 5:30 p.m. and 9:30 p.m. The schedule for performing these services shall be developed by the Contractor and approved by the Facility Administrator. Section A.2. of this Contract.

For requirements regarding annual services, refer to Minimum Requirements, All Areas, Section A.2. of this Contract.

A.1.21. Office Areas

"Office Areas" shall mean all enclosed space used for work areas off public corridor areas. These areas shall include open office, private office, libraries, conference rooms, classrooms and office storage areas. Services required shall conform to Minimum Requirements as stated in Section A.2.3. of this Contract.

A.1.22. Permanent Increase/Decrease to Size of Contract

The State reserves the right to increase or decrease as necessary to the Complex the amount of square footage or the number of buildings to be cleaned as a part of this Contract. The State shall give the Contractor at least thirty (30) days notice of any such changes.

In the event that the State finds it necessary to make a permanent increase/decrease to the amount of space to be cleaned as a part of this Contract, the amount to be compensated to the Contractor shall be negotiated and a contract amendment issued.

A permanent increase/decrease is one which shall exceed one-hundred and eighty (180) calendar days. Any other increase/decrease shall apply to the work unit rates as set out in Section C.4 of the Pro Forma Contract.

A.1.23. Porcelain Ware and/or Stainless Steel Cleaning

Porcelain or stainless steel fixtures (drinking fountains, wash basins, urinals, toilets, etc.) shall be clean and bright; there shall be no dust, spots, stains, rust, encrustation or excess moisture. Walls and floors adjacent to fixtures shall be free of spots, drippings, and watermarks.

A.1.24. Public Areas

"Public Areas" shall mean all entrances, lobbies, interior stairwells, elevators, corridors and exterior areas of the building. Services required shall conform to minimum requirements as stated in Section A.2.1. of this Contract.

A.1.25. Restrooms

"Restrooms" shall mean all public restrooms (both men's and women's), locker rooms and private toilet rooms located within offices. Services required shall conform to minimum requirements as stated in Section A.2.2. of this Contract.

A.1.26. Rug and Carpet Vacuuming

After each vacuuming, all rugs and carpets shall be clean and free of dust balls, dirt and other debris. Carpets shall be spot cleaned nightly to remove any spills or spots.

A.1.27. Scrubbing

"Scrub" shall mean the removal of all foreign material from a floor by use of a cleaning solution of water and detergent resulting in a surface free of all surface and embedded dirt (including heel marks) and residual cleaning solutions and films. Floors shall be scrubbed with a cleaner and recoated with from two (2) to four (4) coats of floor finish.

"Hand scrubbing" shall mean the removal of all dirt, film and residue from a surface by use of a cleaning solution as described above.

A.1.28. Spot Cleaning

Spot cleaning means removing smudges, marks and/or spots from designated areas without causing unsightly discoloration.

A.1.29. Spot Mopping

Spot mopping means removing spillage's, marks and/or spots from designated areas.

A.1.30. Spot Dusting

Spot dusting means removing smudges and/or dust from designated areas.

A.1.31. Stripping

"Strip" is defined as the complete removal of all old wax including the areas under desks and other raised furniture and from around the edge of filing cabinets and baseboards. When the removal is complete, the floor should have a slightly dull, but overall even appearance. Wax or mop water splashing which may have accumulated on baseboards, lower edges of doors, door jambs, filing cabinets, and desk legs are to be removed. (Care must be taken to prevent damage to painted furniture surfaces). Proper removal of all old wax or finish will require the shifting of desks and tables. Furniture shall be replaced in its original position.

Proper preparation of a floor, prior to rewaxing is considered the most important procedure in floor maintenance. Therefore, special attention shall be given to the following requirements: apply proper wax removers, stripping agents or synthetic detergents to the floor depending on type; scrub with a floor scrubbing machine or agitate with a mop to remove all dead wax, soap film, dirt and stains; pick up dirty solution with mop, squeegee, or wet vacuum; and thoroughly rinse with clean water and dry.

After stripping is complete, refinish with three (3) coats of sealer and three (3) to four (4) coats of finish.

A.1.32. Sweeping and Dust Mopping Operations

After sweeping and dust mopping operations, all floors shall be clean and free of dust streaks. No dirt shall be left in corners, behind radiators, under furniture, behind doors, or on stair landings and treads. No dirt shall be left where sweepings were picked up.

All dust mops are to be specially and properly cleaned before use to aid in the removal of dust and dirt. After dust mopping, floors are to be free of litter, debris and grit. Treatment which leaves an oil film on the floor is prohibited.

A.1.33. Trash Removal

When removing trash from public areas and offices and cubicles, the Contractor shall utilize a lined container on wheels. Trash liner shall fit the container to the bottom with a minimum six inch lap around the top. Liner shall be replaced whenever food or drink has been wasted.

A.1.34. Waxing

Waxing refers to a systematic procedure to assure optimum floor maintenance. Techniques shall include proper floor care products (e.g., strippers, finishers, sealers, cleaners, and maintaining products) that are chemically compatible. A total system of matched floor care products shall be used to assure durability, wear, resistance, scrubability, and appearance for floor surfaces. (Example: Franklin Defense, Johnson Complete, Hillyard, or equivalent products certified by Underwriters Laboratory). Wax shall be applied in a thin even coat and allowed to dry. The number of coats applied will depend on the type and condition of floor.

A.1.35. Wet Mopping and Scrubbing

All floors shall be properly prepared. They shall be thoroughly swept to remove visible dirt and debris. Gum, tar, and similar substances shall be removed from the floor surface. On completion of the mopping and scrubbing, the floor shall be clean and free of dirt, water streaks, mop marks, strings, etc. and shall be properly rinsed and dry mopped to present an overall appearance of cleanliness. All surfaces shall be dry and corners and cracks shall be clean. When scrubbing is designated, it shall be performed by machine or by hand with a brush.

A.1.36. Window Cleaning Service

"Window Cleaning" refers to glass areas to be cleaned other than those areas defined by the specifications as "glass cleaning" (E.G., door glass, glass shelves, glass partitions, pictures, bookshelves, etc.). THE CONTRACTOR IS TO USE A TRI-SODIUM/WATER SOLUTION AS CLEANING AGENT, APPLIED BY SPONGE AND REMOVED WITH A SQUEEGEE TO PREVENT SMEARS AND STREAKS ON WINDOWS. In addition, all tape and other gummed articles shall be removed from window surface by means of a razor blade, or similar instrument, prior to cleaning.

The Contractor, if necessary, will remove all items from the windows, utilize a drop cloth to prevent watermarks, and upon completion of the cleaning, replace items moved.

Areas to be cleaned: All inside and outside windows of buildings under cleaning contract.

A.1.37. Work Order

A Work Order is a written document issued by the State requesting the Contractor to either increase or decrease work to be performed as a part of this Contract (see Exhibits 10.5 and 10.6 of the RFP). The amount to be charged for adding or deducting this work shall be based upon the applicable work unit rates in Section C.4. of this Contract.

A.1.38. Memoranda of Non Compliance

This document is issued by the State deducting dollars from the Contractor's monthly invoice for failure to perform minimum required cleaning services. (Section A.2. of this Contract.) The amount to be deducted from the Contractor's invoice shall be based upon the Custodial Labor Rates in Section C.4 of the Pro Forma Contract, Item Number 9 Labor Rates, times the number of hours and personnel necessary to correct the failure. (See Exhibits 10.7 and 10.7.1 of the RFP.) The Contractor shall not invoice the State for any cost associated with his corrective action.

A.1.39. Window Blind Cleaning (Performed upon request of the Facility Administrator)

The window blinds are to be free of dust and foreign material. The window blinds are not to be taken down to be cleaned. Unless otherwise stated, these services shall be performed between the hours of 4:30 p.m. and 1:00 a.m.

A.2. MINIMUM REQUIREMENTS, ALL AREAS

IMPORTANT NOTE: All of the "Minimum Requirements" of this Contract shall be included in the Contractor's annual lump sum bid.

The services to be covered under the Minimum Requirements of this Contract are outlined below and include all of the following:

- 1) Public Areas;
- 2) Restrooms;
- 3) Office Areas;
- 4) Daytime Custodian Services;
- 5) State Print Shop; and
- 6) Employee Snack Bar.

Minimum services to be performed by the Contractor's employees shall include, but not be limited to, the services as outlined below. Unless otherwise stated by the Facility Administrator, the following cleaning services shall be performed on a nighttime basis. If the Contractor fails to perform the minimum requirements as scheduled the Facility Administrator

may deduct the custodial labor rate times number of hours required to perform the task from the Contractor's monthly invoice. (See Section A.1.38. of this Contract.)

A.2.1. PUBLIC AREAS - MINIMUM REQUIREMENTS

"Public Areas" shall mean all entrances, docks, lobbies, interior stairwells, break rooms, elevators, corridors, garages and exterior areas of the building.

A.2.1.1. NIGHTLY SERVICES (PUBLIC AREAS)

The Contractor shall perform the following services nightly:

A.2.1.1.1. Waste Receptacles

- a) empty sand urns and waste paper receptacles of trash and cigarette butts, replacing sand and plastic liners where required. Plastic liners are to be used in all waste paper receptacles. SAND AND PLASTIC LINERS WILL BE FURNISHED BY THE CONTRACTOR.
- b) empty recycling bins as directed by the Facility Administrator. The emptying of recycling bins shall be performed nightly and shall consists of: transporting the recycling bins from their designated floors to the recycle room; emptying the contents of the bins into the containers provided; and returning the bins to their proper floor and location.
- c) Contractor shall replace liner when:
 - 1. liner(s) has trash
 - 2. liner(s) are wet
 - 3. liner(s) has foreign substance
- d) Contractor is required to have an extra liner dry and free from foreign substance in each receptacle.
- e) wash receptacles when appropriate to clean bottom of receptacles from foreign matter.

A.2.1.1.2. Glass Cleaning

clean door glass on all entrances (inside and outside).

A.2.1.1.3. Drinking Fountains

wash and disinfect all drinking fountains and dry shine to prevent spotting.

A.2.1.1.4. Break Rooms

- a) clean sinks nightly.
- b) wipe down countertops.
- c) wipe down tables.
- d) vacuum and spot clean carpeted areas.
- e) sweep clean and spot mop hard surface floors.
- f) empty trash receptacles and replace with a clean and dry liner. An extra clean and dry liner shall be placed in the bottom of the receptacle free from any foreign matter.

A.2.1.1.5. Outside Servicing

- a) sweep outside entry ways.
- b) empty cigarette receptacles.
- c) pick up and remove debris around building and in garage.

In addition to the nightly services listed, the following services shall be required at the intervals shown:

A.2.1.2. THREE TIME-WEEKLY SERVICES (PUBLIC AREAS)

The Contractor shall perform the following services three (3) times each week:

NOTE: THREE (3) TIMES PER WEEK TO BE MONDAY, WEDNESDAY AND FRIDAY, IF NOT STATED OTHERWISE.

A.2.1.2.1. Floors

- a) vacuum all carpeted areas including all conference rooms, elevators and entrance mats (rugs).
- b) dust mop all corridors, entrance halls, lobbies, and elevator floors, including the freight elevator.
- c) scrape gum as required.

In addition to the three night weekly services listed, the following services shall be required at the intervals shown:

A.2.1.3. WEEKLY SERVICES (PUBLIC AREAS)

The Contractor shall perform the following services weekly:

A.2.1.3.1. Floors

buff all hard-surface flooring.

A.2.1.3.2. Stairwells

sweep clean all interior stairwells. Spot mop spillage.

A.2.1.3.3. Glass Cleaning

- a) wash door handles and metal framing around entrance door glass.
- b) clean all partition as well as glass pictures and bookcases, etc. in common areas and lobbies.

A.2.1.3.4. Dusting and Cleaning

- a) dust all furnishings in public areas and all conference rooms (including tables, chairs, fixtures, pictures, decorations, etc.) and all other horizontal and vertical objects, except as otherwise noted herein.
- b) window sills, frames and blinds.

A.2.1.3.5. Drinking Fountains

polish the bright metal.

A.2.1.3.6. Elevators

- a) dust elevator walls and doors with a treated cloth.
- b) dust wipe and dry shine stainless steel railings on back and side walls.

A.2.1.3.7. Walls

- a) spot wash painted wall surfaces in all corridors around light switches, drinking fountains and other heavy traffic areas (including stairwells).
- b) dust all pictures.

A.2.1.3.8. Loading Docks

- a) sweep loading docks.
- b) pick up and remove trash around loading dock areas.

In addition to the weekly services listed, the following services shall be required at the intervals shown:

A.2.1.4. MONTHLY SERVICES (PUBLIC AREAS)

The Contractor shall perform the following services monthly:

A.2.1.4.1. Floors

scrub all hard-surface flooring in corridor areas, lobby areas, elevators and entrances. Floor shall be scrubbed with a cleaner and recoated with two (2) coats of floor finish.

A.2.1.4.2. Carpets

all carpets in public areas are to be cleaned by the Bonnet method each month with the exception of those months in which the shampoo method and the extraction method are performed as specified in provisions A.2.1.5.1. and A.2.1.6.1. respectively.

The schedule for performing these carpet cleaning services shall be developed by the Contractor and approved by any workday the Facility Administrator.

A.2.1.4.3. Handrails

damp wipe all handrails (stairwells, lobbies, etc.).

A.2.1.4.4. Walls

dust fire equipment and exit lights.

A.2.1.4.5. Elevators

- a) clean carpeted floors by extraction method.
- b) clean and polish door tracks on the cars and on the floors.

A.2.1.4.6. Loading Dock

- a) pressure wash loading dock.
- b) sweep walls up to ceiling.

A.2.1.4.7. Garage

sweep floors.

In addition to the monthly services listed, the following services shall be required at the intervals shown:

A.2.1.5. SEMI-ANNUAL SERVICES (PUBLIC AREAS)

The Contractor shall perform the following services semi-annually:

A.2.1.5.1. Carpets

all carpets in public areas are to be cleaned by shampoo method twice a year with the exception of the month in which the extraction method is performed as specified in provision A.2.1.6.1. (refer to carpet cleaning specifications as outlined in the definitions).

The schedule for performing these floor and carpet cleaning services shall be developed by the Contractor and approved by any workday the Facility Administrator.

A.2.1.5.2. Garage

- a) sweep and pressure wash floors.
- b) sweep wall up to ceiling.

In addition to the monthly services listed, the following services shall be required at the intervals shown:

A.2.1.6. ANNUAL SERVICES (PUBLIC AREAS)

The Contractor shall perform the following services annually:

A.2.1.6.1. Carpets

all carpets in public areas are to be cleaned by extraction method one time per year (refer to carpet cleaning specifications as outlined in the definitions). This cleaning is to follow the two (2) shampoo cleanings at year end.

The schedule for performing these floor and carpet cleaning services shall be developed by the Contractor and approved by any workday the Facility Administrator.

A.2.2. RESTROOMS - MINIMUM REQUIREMENTS

"Restrooms" shall mean all public restrooms (both men's and women's), locker rooms and private toilet rooms located within offices.

A.2.2.1. NIGHTLY SERVICES (RESTROOMS)

The Contractor shall perform the following services nightly:

A.2.2.1.1. Floors

- a) sweep and then mop all restroom floors with clean disinfectant detergent.
- b) vacuum all carpeted areas.

A.2.2.1.2. Waste Receptacles

empty all waste receptacles and replace plastic liners where required. Plastic liners to be used in all waste paper receptacles. **PLASTIC LINERS WILL BE FURNISHED BY THE STATE.**

A.2.2.1.3. Glass Cleaning

clean and polish all mirrors, shelves, partitions, glass in doors, bright metal and chrome fixtures with glass cleaner.

A.2.2.1.4. Water Closets and Urinals

- a) wash all water closets, seats and urinals inside and out with a disinfectant detergent, leaving seats in a raised position.
- b) The Contractor shall not use any acid bowl cleaners.
- c) Clean bright metal hardware. Hardware shall be cleaned, rinsed and dry shined to prevent spotting.

A.2.2.1.5. Walls

- a) wash stall dividers and walls with a disinfectant detergent solution.
- b) clean all door interiors.

A.2.2.1.6. Wash Basins

- a) clean wash basins and wipe basins free of all water marks. The Contractor shall not use scouring powders.
- b) damp wipe and polish dry the pipes under wash basins.
- c) clean bright metal hardware. Hardware shall be cleaned, rinsed and dry shined to prevent water spotting.

- A.2.2.1.7. Dispensers
restock or refill towel, tissue, soap and sanitary napkin dispensers.
ALL THESE ITEMS WILL BE FURNISHED BY THE STATE.

In addition to the nightly services listed, the following services shall be required at the intervals shown:

- A.2.2.2. WEEKLY SERVICES (RESTROOMS)
The Contractor shall perform the following services weekly:
- A.2.2.2.1. Waste Receptacles
damp wipe all wastepaper receptacles inside and out.
- A.2.2.2.2. Air and Door Grills
clean all return and supply air grills, door grills, walls and ceilings.
- A.2.2.2.3. Showers (Where Applicable)
clean bright metal hardware.
- A.2.2.2.4. Locker Rooms
a) damp mop tile floors in locker room, including space under lockers.
b) dust tops of lockers.
- A.2.2.2.5. Janitor's Closet
a) clean the floors and sinks.
b) sweep floors and remove trash.

In addition to the weekly services listed, the following services shall be required at the intervals shown:

- A.2.2.3. MONTHLY SERVICES (RESTROOMS)
The Contractor shall perform the following services monthly:
- A.2.2.3.1. Floors
a) scrub restroom floors.
b) clean and scrub baseboard grouting to eliminate residue.
c) strip and seal all restroom tile floors (refer to floor care definitions).
- A.2.2.3.2. Janitor's Closets
wet mop all janitor closets.
- A.2.2.3.3. Dusting
dust walls, ceilings, defusers and fixtures.

A.2.3. OFFICE AREAS - MINIMUM REQUIREMENTS

"Office Areas" shall mean all space used for work areas off public corridor areas. These areas shall include open office, private office, library, conference room, classroom and office storage areas.

A.2.3.1. THREE TIME-WEEKLY SERVICES (OFFICE AREAS)

The Contractor shall perform the following services three (3) times per week:

NOTE: THREE (3) TIMES PER WEEK TO BE MONDAY, WEDNESDAY AND FRIDAY, IF NOT STATED OTHERWISE.

A.2.3.1.1. Floors

- a) sweep and spot clean hard surface floors.
- b) vacuum and spot clean all carpeted floor areas with particular attention to be paid in break areas and around office copiers.
- c) properly replace chairs into the knee well of desks.
- d) wet mop and buff all hard surface floors, taking care not to damage equipment or wallboards when buffing. Report any damage immediately.

A.2.3.1.2. Waste Receptacles

- a) empty trash receptacles, replace in proper position, and replace plastic liners as needed.
- b) empty sand urns of cigarette butts, replacing sand where required.
- c) empty recycling bins as directed by the Facility Administrator. The emptying of recycling bins shall be performed nightly and shall consist of: transporting the recycling bins from their designated floors to the recycle room; emptying the contents of the bins into the containers provided; and returning the bins to their proper floor and location.

SAND AND PLASTIC LINERS WILL BE FURNISHED BY THE STATE. Wheeled trash carts will be used to remove trash from office areas.

A.2.3.1.3. Dusting and Desk Top Cleaning

- a) empty and damp wipe all ash trays in office areas.
- b) dust desk tops in office areas.
- c) dust all furniture (i.e. tables, filing cabinets and bookcases).
- d) dust all high and low office partitions.
- e) dust vertical surfaces of all office furniture (sides of desks, doors and frames, files, tables, etc.)
- f) dust bottoms and back braces of chairs.

NOTE: Stacks of papers and other desk top equipment are not to be moved. Only cleared desk top areas are to be dusted.

NOTE: If an office (area) is locked and a key for entry is not provided, then that office is not to be cleaned.

A.2.3.1.4. Glass Cleaning

clean all clear, opaque or frosted glass pictures and bookcases, etc.

In addition to the three times a week services listed, the following services shall be required at the intervals shown.

A.2.3.2. MONTHLY SERVICES (OFFICE AREAS)

The Contractor shall perform the following services monthly:

A.2.3.2.1. Dusting and Cleaning

- a) vacuum and damp wipe clean all air diffusers and vents.
- b) clean storage areas.
- c) dust window sills, frames and blinds.

In addition to the monthly services listed, the following services shall be required at the intervals shown.

A.2.3.3. SEMI-ANNUAL SERVICES (OFFICE AREAS)

The Contractor shall perform the following services semi-annually:

A.2.3.3.1. Carpets

all carpets in office areas are to be cleaned by shampoo method twice a year with the exception of the month in which the extraction method is performed as specified in provision A.2.3.4.1. (refer to carpet cleaning specifications as outlined in the definitions).

The schedule for performing these floor and carpet cleaning services shall be developed by the Contractor and approved by any workday the Facility Administrator.

A.2.3.3.2. Floors

scrub all hard-surface flooring. Floors shall be scrubbed with a cleaner and recoated with two (2) coats of floor finish.

In addition to the semi-annual services listed, the following services shall be required at the intervals shown.

A.2.3.4. ANNUAL SERVICES (OFFICE AREAS)

The Contractor shall perform the following services annually:

A.2.3.4.1. Carpets

all carpets in office areas are to be cleaned by extraction method one time per year (refer to carpet cleaning specifications as outlined in the definitions). This cleaning is to follow the two (2) semi-annual shampoo cleanings at year end.

The schedule for performing these floor and carpet cleaning services shall be developed by the Contractor and approved by any workday the Facility Administrator.

A.3. DAYTIME CUSTODIAL SERVICES - MINIMUM REQUIREMENTS

NOTE: The following Daytime Custodians are a part of the Minimum Requirements of this Contract. The cost for providing these employees shall be included in the Contractor's annual fixed fee bid.

- A.3.1.** Daytime Custodial Services will be required on a full-time basis at the Andrew Jackson State Office Building. The Contractor shall provide three (3) full time and part-time Day Custodians for this location. (One (1) Day Custodian is to be assigned to the Treasury Department and one (1) Day Custodian is to be assigned to the Revenue Department – custodial service requirements for each department listed below.) The services of each full time Day Custodian will be required five (5) days per week, 7.5 hours per day; and the part-time Day Custodian will be required five (5) days per week, 3.5 hours per day, Monday through Friday, except for legal holidays proclaimed by the State. The Contractor shall furnish one (1) pager for each Day Custodian to enhance communications with the Facility Administrator. Each full time Day Custodian shall have a one (1) hour lunch break.
- As determined by the Facility Administrator, the schedule and/or services of the Day Custodians may be revised as situations require. Services of the Day Custodians may include, but not be limited to the follows:

- * Restroom Servicing -
Consisting of touch-up type cleaning, and insuring adequate supplies of paper towels, toilet paper, and soap dispenser items.
- * Maintenance of Brass, Stainless Steel and Aluminum Fixtures -
Consisting of polishing, cleaning and wiping as required.
- * Entrance Door Glass -
Consisting of daily cleaning both inside and outside.
- * Outside Servicing -
Consisting of emptying trash canisters, sweeping steps, policing dock areas, sweeping and policing entrance landing areas and policing sidewalks surrounding the facility.
- * Support Servicing -
Consisting of providing general cleaning assistance following minor construction or other maintenance type functions as dictated by the Facility Administrator.
- * Trash Overflow -
Consisting of removing trash accumulation stored inside.
- * Information Service -
Consisting of informing designated representatives of system failures within the facility and unusual occurrences detected (i.e., plumbing problems).
- * Miscellaneous Servicing -
Consisting of mopping spillages, performing emergency cleaning functions, and responding to unscheduled requests from the Facility Administrator.
- * Public Area Servicing -
Routinely sweep or vacuum debris, mop spillages, empty waste receptacles and empty ashtray urns in all public areas and elevators.
- * Employee Uniforms -
The Contractor shall furnish uniforms (minimum shirt or smock) for the supervisor and custodial employees. Identification cards will be provided by the Contractor and worn at all times.
- * Usage of Daytime Services -
The Facility Administrator may designate other daytime services as needed and required.

A.3.2. TREASURY DEPARTMENT – CUSTODIAL DAY SERVICE

Monday through Friday, 7:30 a.m. to 4:00 p.m.

- | | |
|----------------|--|
| 7:30 a.m. | Sign in at Facility Administrator's office
Pick-up custodial barrel and supplies
Pick-up pager from Bobby Burns' office
Check for special tasking for the day |
| 7:45-8:15 a.m. | Go to 11 th Floor; clean Investment Section only in the early morning.
General Office cleaning
Vacuum
Hi and Low dust - using a damp cloth to wipe down all flat surfaces. |

8:15-8:45 a.m.	Continue cleaning the rest of the 11th floor General Office cleaning Vacuum Hi and Low dust - using a damp cloth to wipe down all flat surfaces.
8:45-9:15 a.m.	Go to 13th floor; clean Treasury Claims and B.E.S.T (Suites 1340 and 1350 ONLY) General Office Cleaning for Suites 1330 and 1340 ONLY Vacuum Hi and Low dust - using a damp cloth to wipe down all flat surfaces.
9:15-10:00 a.m.	Go to 10th floor General Office Cleaning the entire floor Vacuum Hi and Low dust - using a damp cloth to wipe down all flat surfaces.
10:00-10:15 a.m.	Morning Break
10:15-11:00 a.m.	Go to 9th floor Treasury ONLY (1/2 on Charlotte Avenue and 1/2 on Deaderick St on the 5 th Avenue end.) General Office Cleaning Vacuum Hi and Low dust - using a damp cloth to wipe down all flat surfaces.
11:00-11:30 p.m.	Trash pick up Suites 1340 and 1350 ONLY
11:30-12:00 p.m.	Go to 11th floor; clean MIS (in the secured area-Deaderick St. side), State Processing Suite (1150 and 1170 in the secured area-Charlotte Avenue side), Conference Room (Suite 1190 in the secured area - Charlotte side)), Claims Commission Hearing Room (suite 1180 in the secured area-Charlotte Avenue side) Trash pick up Vacuum Hi and Low dust - using a damp cloth to wipe down all flat surfaces.
12:00-1:00 p.m.	Lunch Break
1:00-2:00 p.m.	Trash pick up 11th floor
2:00-2:15 p.m.	Afternoon Break
2:15-3:00 p.m.	Trash pick up 10th floor
3:00-3:55 p.m.	Trash pick up 9th Treasury ONLY (1/2 Charlotte Ave, 5th Avenue, Deaderick Street)
3:55-4:00 p.m.	Prepare to leave; Turn in Pager to Bobby Burns; Clock out and End of Day

A.3.3.

REVENUE DEPARTMENT – CUSTODIAL DAY SERVICE

Monday through Friday, 7:30 a.m. to 4:00 p.m.

7:30 a.m.	Sign in at Facility Administrator's office Pick-up custodial barrel and supplies
7:40-8:30 a.m.	Go to 12th floor; Clean Revenue's Commissioner Suite (Secured Area) General Office Cleaning Vacuum as needed prefers (Mondays or Tuesdays) Dust as needed (Wednesdays and Fridays) Trash Pick up (Daily)
8:30-9:30 a.m.	Continue cleaning on 12th floor Assistant Commissioner Division General Office Cleaning Dust using a damp cloth to wipe down all flat surfaces as needed Vacuum (Tuesdays) Dust (Wednesdays) Trash Pick-Up (Tuesdays and Thursdays)
9:30-9:45 a.m.	Morning Break
9:45-10:45 a.m.	Continue cleaning on 12th floor Personnel/Training Division, Training Room, and Commissioner's Large Conference Room, then go to Suite 1370 ONLY (Myles Voce's Office), knock on the door; if no one answers check back at a later time as the schedule permits to do assigned tasks. General Office Cleaning Dust using a damp cloth to wipe down all flat surfaces as needed Vacuum as needed Trash Pick-up as needed
11:00-11:15 a.m.	Go to 6th floor Internal Audit (Charlotte Ave side) General Office Cleaning Empty trash Hi and low dust (Wednesdays) Vacuum as needed
11:15-11:30 a.m.	Go to 6th floor Internal Audit (Deaderick Street on the core) General Office Cleaning Vacuum as needed Dust using a damp cloth to wipe down all flat surfaces Hi and low dust (Wednesdays)
11:30-12:30 p.m.	Lunch Hour
12:30-1:15 p.m.	Go to 2nd floor General Office Cleaning Vacuum (Mondays) Dust (Wednesday) Trash Pick up (Tuesdays and Thursdays)

1:15-2:00 p.m.	Go to 3rd floor General Office Cleaning Dust using a damp cloth to wipe down all flat surfaces Vacuum (Fridays) Dust Trash Pick-Up (Tuesdays and Thursdays)
2:00-2:45 p.m.	Go to 4th floor General Office Cleaning Dust using a damp cloth to wipe down all flat surfaces Vacuum (Wednesdays) Trash Pick-up (Tuesdays and Thursdays)
2:45-3:00 p.m.	Afternoon Break
3:00-3:25 p.m.	Go to 7th floor Special Investigations (Charlotte Ave side) General Office Cleaning Empty trash (Daily) Hi and low dust (Wednesdays) Vacuum as needed (Tuesdays and Thursdays)
3:25-3:55 p.m.	Go to 5th floor General Office Cleaning Vacuum as needed (Mondays) Dust using a damp cloth to wipe down all flat surfaces Trash pick-up (Tuesdays and Thursdays)
3:55-4:00 a.m.	Prepare to leave; Sign out and End of Day

A.4. STATE PRINT SHOP - MINIMUM REQUIREMENTS

The State Print Shop, located in the Basement of the Andrew Jackson Building, contains a mixture of public, office and restroom space, as well as "Printing Production Areas." Minimum requirements for all of these areas are defined below.

The State Print Shop shall receive all the minimum services already specified for public, office and restroom areas (as applicable). In addition, the Printing "Production Areas" shall receive the following services:

-----Daily/Nightly-----

- * Empty trash cans and trash bins.
- * Empty trash in freight elevator.
- * Dust mop all traffic areas.
- * Stock all paper towel and soap dispensers.

-----Weekly-----

- * Clean sinks and surrounding areas.
- * Wet mop all areas.
- * Sweep stairway from ground level to basement level.

-----Monthly-----

- * All hard-surface flooring shall be scrubbed with a cleaner and recoated with two (2) coats of floor finish.

-----Semi-Annually-----

- * Strip and wax all hard-surface flooring.

A.5. EMPLOYEE SNACK BAR - MINIMUM REQUIREMENTS

The Employee Snack Bars are located on the Ground and Thirteenth floors of the Andrew Jackson Building. Minimum requirements for these areas are the same as those previously specified for PUBLIC AREAS in Section A.2.1.

A.6. SPECIAL REQUIREMENTS, ALL AREAS

Special Requirements may be defined as "Additional Services" and shall include any custodial services which may be required in addition to the "Minimum Requirements, All Areas", Section A.2. of this Contract.

The Contractor shall be compensated for performing "Additional Services" according to the work unit rates and labor rates as set out in Attachment 9.2.1. of this Contract. (Also refer to "Payment Terms and Conditions", Section C. of this Contract).

At various times during the Contract period, the State may require the Contractor to perform "Additional Custodial Services" in response to unique or special situations. A "Work Order" will be utilized to request these services (Exhibit 9.5).

Examples of "Additional Services" which the Contractor may be asked to perform are listed below:

1. General Cleaning (Public, Office and Restroom Areas);
2. Carpet Cleaning (Shampooing);
3. Carpet Cleaning (Extraction);
4. Floor Cleaning (Strip/Wax, and Scrub/Wax);
5. Window Cleaning (Additional Services)
6. Daytime Custodial Services (Additional Services)

The Contractor shall provide additional Daytime Custodial Services as requested by the Facility Administrator.

7. Snow and Ice Removal - Special Requirements

Snow and Ice Removal will be provided on an as-needed basis during inclement weather conditions as determined by the Facility Administrator. It is anticipated that inclement weather conditions will exist during the months of December 1st through March 31st.

Upon the request of the Facility Administrator, the Contractor shall provide, within a maximum of two (2) hours, personnel to remove snow and ice from building sidewalks and entrance ways. The Contractor shall utilize the most effective means available (i.e., shovel, snow blower, non-corrosive chemical product such as ice melt, etc.).

The labor rate for performing snow and ice removal shall include all labor, equipment, tools and incidental supplies necessary to complete the work.

A.7. ADDITIONAL REQUIREMENTS

A.7.1. Contractor-Furnished Labor, Equipment, Material and Supervision

- A.7.1.1. The Contractor shall furnish all labor, equipment, materials and supervision to perform the services required at the frequencies specified. All equipment must be maintained in a satisfactory operative condition.

A.7.1.2. Custodial supplies that THE STATE WILL PROVIDE include but are not necessarily limited to the following:

- trash can liners;
- sand (for sand urns);
- hand towels;
- toilet tissue;
- boxed soap for soap dispensers;
- liquid soap for soap dispensers; and
- wax lined sanitary napkin bags.

A.7.1.3. Cleaning Supplies - The State shall provide all consumable cleaning supplies, such as waxes, cleansers, shampoos, paper products, trash liners, ice melt, etc. as shown in, but not necessarily limited to, the Janitorial Inventory Items - Exhibit 10.8. These items will be provided from the State's Central Stores' stock and thus product brands may vary from time to time dependent on procurement awards.

A.7.1.4. The Contractor shall furnish all uniforms (minimum shirt or smock) and identification cards for custodial employees. NOTE: ALL EMPLOYEES WILL BE REQUIRED TO WEAR UNIFORMS AND IDENTIFICATION BADGES THAT ARE CLEARLY VISIBLE.

A.7.1.5. The Contractor shall provide the Facility Administrator with a current list of employees scheduled and approved to work in the building.

A.7.2. State-Furnished Resources

The State will provide secured custodial storage space for the Contractor's equipment and supplies.

A.7.3 Quantity and Quality of Supervision

The Contractor shall employ at all times, the quantity and quality of local, "on-site" supervision necessary for the effective and efficient management of cleaning operations. The Contractor shall organize the cleaning schedule to minimize the work areas needing lighting at any one time during cleaning. The Contractor shall place the highest priority on energy conservation and shall coordinate all activities with the facility staff for the most economical operation of building equipment, machinery and systems.

A.7.4. Supervisory Knowledge

All supervisors shall have a thorough working knowledge of the various cleaning tasks, equipment, and materials so as to be able to both properly train and direct the cleaners in their individual tasks, and to maintain and control an effective inspection and follow-up program.

A.7.5. Information and Reporting Requirements

The Contractor shall immediately report all situations discovered while performing custodial services that warrant repairs (e.g., system failures, plumbing problems, electrical circuit breaker failure discovered while buffing or caused by buffing, and any other unusual occurrences detected) to the Facility Administrator and the security guard if there is one assigned to the building in question.

A.7.6. Scheduling of Work

Any work to be performed by the Contractor will be done at the convenience of the State and will not conflict with any normal operations. The State reserves the right to revise the Contractor's work schedule if necessary. In the event a revision in the work schedule becomes necessary, the Facility Administrator in charge of the complex will advise the Contractor and request the change.

A.7.7. Contractor's Interface Responsibility

A.7.7.1. At least one week (seven days) prior to the effective date of the contract, the Contractor and his supervisors shall meet with facility administration to discuss facility operations and contract requirements. The State shall incur no extra cost associated with this meeting.

A.7.7.2. The Contractor shall name an individual within its organization who shall be responsible for all contractual matters, differences of opinion, disputes and complaints. If the complaint pertains to the servicing of a building, it will be the responsibility of this individual to appear in person, the day of the complaint, to inspect the problem area with the Facility Administrator and make corrections. Some corrections may require same day attention. These corrections will be done during normal working hours at no extra cost to the State. The State reserves the right to approve the appointment of this individual.

A.7.7.3. The State shall name an individual within its organization who shall be responsible for all contractual matters, differences of opinion, disputes and complaints.

A.7.7.4. The Contractor shall respond, in writing, to all written inquiries by the State within 15 days of receipt of such inquiries.

A.7.8. Contractor's Quality Control

The Contractor shall have procedures and systems to monitor the quality of custodial services. These procedures shall include:

A.7.8.1. A self-inspection program covering all of the services to be performed under the contract;

A.7.8.2. A method for monitoring, identifying and correcting deficiencies in the quality of service furnished to the State; and

A.7.8.3. A method for reporting these deficiencies to the Facility Administrator on a regular basis. The Facility Administrator will be notified of all corrective actions as they are taken. These procedures and systems shall be at no less of a standard as described by the Contractor in the proposal.

A.7.9. Recycling Program

The Contractor will ensure that all custodial procedures will assist the State's recycling effort at this building.

A.7.10. Contract Inclusions by Reference

Included in this Contract and incorporated by reference are the following documents:

- a) The Contract document and all attachments.
- b) The RFP and all associated amendments.
- c) Technical specifications provided to the Contractor.
- d) All clarifications and addenda made to the Contractor's Proposal.
- e) The Contractor's Proposal.

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities and performance under this Contract, these documents shall govern in order of precedence presented above.

A.8. SPECIAL INSTRUCTIONS FOR THE BUILDINGS

A.8.1. ABSOLUTELY NO EATING, DRINKING OR SMOKING IN BUILDING AREAS EXCEPT WHERE DESIGNATED.

- A.8.2. Only employees of Contractor allowed. No children, friends or unauthorized persons allowed on premises.
- A.8.3. Do not touch telephones, computers, printers, copiers, terminals or other electronic office equipment.
- A.8.4. Any employee of the Contractor who violates these instructions may not be permitted on the premises again.

B. CONTRACT TERM:

- B.1. Contract Term. This Contract shall be effective for the period commencing on **November 1, 2003** and ending on **October 31, 2008**. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Eight Hundred and Ninety Three Thousand, Eight Hundred Nineteen Dollars (\$893,819.00). The Service Rates in Section C.4 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the Service Rates detailed in Section C.4. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

Fiscal Year	Annual Fixed Fee	Annual Allowance for Additional Svcs	Annual Total Maximum Liability
Fiscal Year 1 11/1/03 – 6/30/04	\$100,320.00	\$18,482.53	\$118,802.53
Fiscal Year 2 7/1/04 – 6/30/05	\$150,480.00	\$27,723.80	\$178,203.80
Fiscal Year 3 7/1/05 – 6/30/06	\$150,480.00	\$27,723.80	\$178,203.80
Fiscal Year 4 7/1/06 – 6/30/07	\$151,680.00	\$27,723.80	\$179,403.80
Fiscal Year 5 7/1/07 – 6/30/08	\$151,680.00	\$27,723.80	\$179,403.80
Fiscal Year 6 7/1/08 – 10/31/08	\$50,560.00	\$9,241.27	\$59,801.27
TOTAL	\$755,200.00	\$138,619.00	\$893,819.00

C.2. Compensation Firm. The Service Rates and the Maximum Liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Contractor shall be compensated based on the Service Rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of units of service or project milestones defined in Section A. The Contractor shall be compensated based upon the following Service Rates:

Fiscal Year	Fixed Fee Per Month
Fiscal Year 1 11/1/03 – 6/30/04	\$12,540.00
Fiscal Year 2 7/1/04 – 6/30/05	\$12,540.00
Fiscal Year 3 7/1/05 – 6/30/06	\$12,540.00
Fiscal Year 4 7/1/06 – 6/30/07	\$12,640.00
Fiscal Year 5 7/1/07 – 6/30/08	\$12,640.00
Fiscal Year 6 7/1/08 – 10/31/08	\$12,640.00
TOTAL	\$755,200.00

The Contractor shall submit monthly invoices, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed units of service or project milestones for the amount stipulated.

C.4. Additional Services: In the event that the State requests the Contractor, through a written Work Order (see Exhibit 10.5 of the RFP), to perform services which are "in addition to" those included in Section A.2. of this Contract, the Contractor shall perform such services. The Contractor shall be compensated for this additional work in accordance with the following work unit rates and labor rates. These unit rates shall constitute full and complete compensation for the Contractor's performance of the work defined in the Work Order and all the Contractor's obligations hereunder in accordance with the terms and conditions of this Contract. The Contractor shall submit all invoices for Work Orders, in a form acceptable to the State (see Exhibit 10.4 of the RFP) with all of the necessary supporting documentation, prior to any reimbursement of allowable costs. Such invoices will, at a minimum, include the Work Order number, the work unit rate description, the number of units worked, the work unit rate, and the total compensation due the Contractor for the work performed under the Work Order.

ITEM NUMBER	WORK ITEM	WORK UNIT RATE
1	Square Foot Price for General Custodial Cleaning Public Areas	\$0.0035 / per square foot \$0.0031 / per square foot (1000+ sq.ft.) **
2	Square Foot Price for General Custodial Cleaning Office Areas	\$0.0034 / per square foot \$0.0030 / per square foot (1000+ sq.ft.)

- | | | |
|---|---|---|
| 3 | Square Foot Price for | \$0.0100 / per square foot |
| | General Custodial Cleaning | \$0.0080 / per square foot (1000+ sq.ft.) |
| | Restrooms | |
| 4 | Carpet Cleaning - Shampoo | \$0.050 / per square foot |
| | | \$0.045 / per square foot (1000+ sq.ft.) |
| 5 | Carpet Cleaning - Extraction | \$0.080 / per square foot |
| | | \$0.070 / per square foot (1000+ sq.ft.) |
| 6 | Strip and Wax Floors | \$0.100 / per square foot |
| | | \$0.095 / per square foot (1000+ sq.ft.) |
| 7 | Scrub and Wax Floors | \$0.080 / per square foot |
| | | \$0.075 / per square foot (1000+ sq.ft.) |
| 8 | <u>A. Window Cleaning – Andrew Jackson Building</u> | |
| | 1. <u>For the Entire Building</u> | |
| | Interior | \$1,450 per cleaning |
| | Exterior | \$1,775 per cleaning |
| | Combined Rate | \$3,225 per cleaning |
| | 2. <u>Lobby / Entrance Level Only</u> | |
| | Interior | \$200 per cleaning |
| | Exterior | \$300 per cleaning |
| | Combined Rate | \$500 per cleaning |
| | <u>B. Window Blind Cleaning – Andrew Jackson Building</u> | |
| | For the Entire Building | \$780 per cleaning |
| 9 | <u>Labor Rates</u> | |
| | A. Daytime Custodian Labor Rate | \$9.95 per hour |
| | B. Nighttime Custodian Labor Rate | \$10.50 per hour |

Labor rates constitute all-inclusive payment to the Contractor per hour worked by the Contractor's personnel at the work site. Labor rates shall apply any day of the week, and shall only apply to actual hours worked which shall be assessed to the nearest quarter of an hour.

These labor unit rates shall be used to compensate the Contractor for Work Order services, which are not defined in the work unit rates above.

NOTE: The Custodial Labor Rate will be used to deduct dollars from the Contractor's monthly invoice for failure to perform minimum requirements as scheduled. (See Sections A.1.38. Memoranda of Non Compliance and A.2. Minimum Requirements All Areas of the Pro Forma Contract.)

- C.5. Memorandum of Non-Compliance: In the event that the Contractor fails to perform a scheduled work function as defined in Section A.2. of this Contract (unless part of a negotiated service reduction), the State reserves the right to deduct from the Contractor's regular monthly invoice (Section C.9. of this Contract) an amount, based upon the Labor Unit Rates (Section C.4 of this Contract, Item Number 9.) set out in this Contract in the Memorandum of Non-compliance. A Memorandum of Non-Compliance may be issued for unsatisfactory performance of duties (see Exhibits 10.7 and 10.7.1 of the RFP). The Contractor must rectify, at no cost to the State, any failure to perform a scheduled work function within four (4) hours of notification by the State. In the event the Contractor continually fails to perform the services as required in Section A of this Contract, the State reserves the right to exercise the termination clause set out in Section D.4. of this Contract.
- C.6. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.
- C.7. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.
- C.8. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this contract, not to constitute proper remuneration for compensable services.
- C.9. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.
- C.10. Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least sixty (60) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract pertaining to "Conflicts of Interest" and "Nondiscrimination" (sections D.6. and D.7.). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.
- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Records. The Contractor shall maintain documentation for all charges against the State under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.9. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.10. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.11. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.12. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

- D.13. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.14. Force Majeure. The obligations of the parties to this contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.
- D.15. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.16. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.17. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.18. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.19. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State:

Bill Griffith, Facility Administrator
Department of General Services, Property Services Management
Andrew Jackson State Office Building
500 Deaderick Street
Nashville, TN 37243-1320
Telephone Number: (615) 741-1600
Fax Number: (615) 532-9119

The Contractor:

Art Barraclough, President
Cross Gate Services, Inc.
1730 General George Patton Drive
(615) 373-4712
(615) 370-9216 (Fax)

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

- E.3. It is the State's intent to solicit Contracts which shall be valid for the entire Contract period. Prices quoted shall be firm for the term of the Contract. However, in the event of an increase in the federally mandated "minimum wage" rate during the term of the Contract, the Contractor may request an increase in the Contract payment rates. Such an increase shall be equal to no more than the amount of the actual increase in the Contractor's cost, for the performance of the subject Contract, directly resulting from the increase in the federally mandated "minimum wage" rate. The Contractor must submit appropriate cost and accounting data to support and justify a rate adjustment request. Upon receipt of the data, the State will review the matter and consider processing a Contract Amendment to effect a rate increase. The State shall not consider a retroactive, payment rate increase. Such an increase, if approved, shall only be effective after the effective date of the Contract Amendment.
- E.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.5. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.

E.6. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract document and its attachments
- b. All Clarifications and addenda made to the Contractor's Proposal
- c. The Request for Proposal and its associated amendments
- d. Technical Specifications provided to the Contractor
- e. The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.7. Prohibited Advertising. The Contractor shall not refer to this Contract or the Contractor's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the Contractor or the Contractor's services are endorsed.

E.8. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

E.9. HIPAA Compliance. Contractor warrants to the State that it is familiar with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract. Contractor warrants that it will cooperate with the State in the course of performance of the contract so that both parties will be in compliance with HIPAA, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations. Contractor will sign any documents that are reasonably necessary to keep the State and Contractor in compliance with HIPAA, including but not limited to business associate agreements.

E.10. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Contractor shall prohibit smoking of tobacco products within any indoor premises in which services are provided pursuant to this Contract to individuals under the age of eighteen (18) years. The Contractor shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Contract.

E.11. Date/Time Hold Harmless. As required by *Tennessee Code Annotated*, Section 12-4-118, the contractor shall hold harmless and indemnify the State of Tennessee; its officers and employees; and any agency or political subdivision of the State for any breach of contract caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort or otherwise process dates or times.

E.12. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

E.13. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System, provides that if a retired member returns to State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to the Tennessee Consolidated Retirement System the amount of retirement benefits the Contractor received from the Retirement System during the period of this Contract.

E.14. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it and its principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining attempting to obtain, or performing a public (Federal, State, or Local) transaction or grant under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

- c. are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or Local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (Federal, State, or Local) terminated for cause or default.

E.15. Insurance. The Contractor shall procure and maintain for the duration of the Contract, at his/her own cost and expense, insurance against claims for injuries to persons or damages to property including contractual liability which, may arise in connection with the performance of the work performed by the Contractor, his agents, representatives, employees or subcontractors under the Contract. The insurance carrier(s) must be licensed to conduct business in the State of Tennessee. The insurance will be evidenced by Certificates of Insurance. The certificate shall include wording, which states the Property Services Management Division will be notified thirty (30) days prior to cancellation of or amendment to the coverage provided. The State of Tennessee shall be held harmless for any injuries, claims or judgments against the Contractor. Certificates for liability coverages shall name the State of Tennessee, as an additional insured. Coverages required are:

Workers' Compensation: A certificate shall be provided which indicates the Contractor provides Workers' Compensation Coverage in compliance with the State laws of Tennessee.

Public Liability and Property Damage Coverage shall be for all operations under the proposal for at least \$100,000.00 for one person and \$300,000.00 for each occurrence for bodily injury or death; and for property damage at least \$100,000.00 for each occurrence, plus coverage for any equipment being moved.

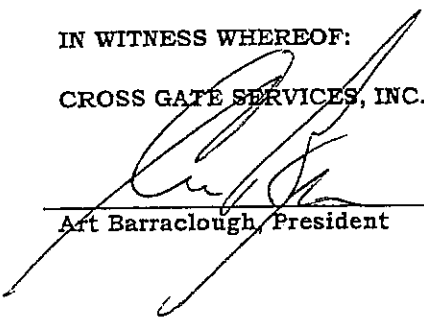
Upon Notification of Intent of Award, the Contractor must provide the Property Services Management Division with proof of insurance coverage as stated above within ten (10) working days.

E.16. Background Check

Contractor is responsible for insuring that background checks are completed, at no cost to the State, on all Contractor employees performing custodial duties in the Andrew Jackson State Office Building. Background checks will include, but not be limited to, as a minimum a local police criminal background check, a valid driver's license review, verification of three year's previous employment and verification of at least three references. The Contractor will maintain written records of all background checks and will make them available to the State as required.

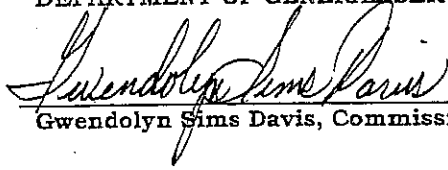
IN WITNESS WHEREOF:

CROSS GATE SERVICES, INC.:


Art Barraclough, President

10/6/03
Date

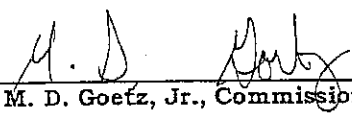
DEPARTMENT OF GENERAL SERVICES:


Gwendolyn Sims Davis, Commissioner

10-13-03
Date

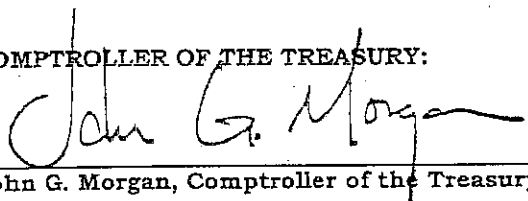
APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:


M. D. Goetz, Jr., Commissioner

10/20/03
Date

COMPTROLLER OF THE TREASURY:


John G. Morgan, Comptroller of the Treasury

10/22/03
Date